



Environmental Services Division
Land Quality Bureau

For Immediate Release

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Speculation on Commodities Continues to Determine Crude and Gasoline Prices

After reaching a record high price of \$119.90 a barrel earlier this week, crude oil prices fell by more than \$2 a barrel today, April 24th, on news that the dollar was strengthening against the euro. Today's price of West Texas Cushing Sweet Crude Oil is at \$117.19 per barrel, up significantly from March's price of \$102.79 and 80 percent higher than the April 2007 price of \$65.12.

"Relatively strong inventories and lowered U.S. demand, factors that typically push gasoline prices down, have had little if any impact on the prices drivers are paying at the pump this spring," said Jim Bodensteiner, an Iowa Department of Natural Resources Program Planner. "Speculation on commodities valued in U.S. dollars, including especially crude oil, continues to push crude, gasoline and diesel prices to record highs."

April gasoline prices in Iowa are averaging \$3.40 per gallon of 10 percent ethanol blended mid-grade gasoline, an 8.6 percent increase from March's average price of \$3.13 per gallon and a 25.4 percent increase from the April 2007 price of \$2.71 price per gallon of the same blend.

The April 23rd average price for diesel in Iowa was \$4.14 per gallon, \$0.20 higher than March's price and up 41.8 percent from the April 2007 price of \$2.92.

On April 23rd, natural gas was trading at \$10.88/MMBtu, up \$1.66/MMBtu from last month and \$3.35 higher than one year ago, a 44.5 percent increase. The U.S. Energy Information Administration's reports that natural gas in storage was 1,248 Bcf as of March 28, 2008, 6 Bcf above the 5-year average from 2003 to 2007 and 304 Bcf below the level during the corresponding week last year.

A survey completed by the Iowa Department of Natural Resources on April 18, 2008, indicated that the average retail price of heating oil in Iowa was \$3.77 per gallon, \$0.23 higher than last month, and \$1.52 higher than the price of heating oil at this time last year, a 67.6 percent increase. The same survey found that propane is selling in Iowa for an average of \$2.01 per gallon across the state, \$0.10 lower than a month ago, and \$0.52 higher than the price at this time last year, a 34.9 percent increase.

To limit the impact of high energy prices on their wallets, consumers should make improvements to their homes' and vehicles' energy efficiency. Tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

10% Ethanol Average Retail Price Per Gallon -- Major Iowa Cities

Self-Serve Ethanol	4/23/08	3/15/08	Difference
Ames	\$3.37	\$3.10	+\$0.27
Cedar Rapids	\$3.46	\$3.13	+\$0.33
Council Bluffs	\$3.31	\$3.08	+\$0.23
Davenport	\$3.40	\$3.13	+\$0.27
Des Moines	\$3.36	\$3.10	+\$0.26
Dubuque	\$3.52	\$3.16	+\$0.36
Fort Dodge	\$3.39	\$3.10	+\$0.29
Iowa City	\$3.46	\$3.27	+\$0.19
Sioux City	\$3.40	\$3.16	+\$0.24
Waterloo	\$3.40	\$3.10	+\$0.30
Webster City	\$3.37	\$3.13	+\$0.24
Average Metro Price	\$3.40	\$3.13	+\$0.27

Source: Oil Price Information Service, www.opisnet.com

Motor Fuels Survey State Average Price Per Gallon

Self-Serve	4/23/08	3/15/08	Difference
Regular Unleaded with 10% Ethanol	\$3.40	\$3.13	+\$0.27
Regular Unleaded	\$3.46	\$3.22	+\$0.24
Premium Unleaded	\$3.58	\$3.28	+\$0.30
Diesel	\$4.14	\$3.94	+\$0.20

Source: Oil Price Information Service, www.opisnet.com

Heating Fuels Survey

Heating Fuel Type	4/23/08	3/20/08	Difference
Natural Gas	10.88/MMBtu	9.22/MMBtu	+\$1.66/MMBtu

Source: Wall Street Journal

Heating Fuel Type	4/18/08	3/17/08	Difference
Propane	\$2.01	\$2.11	-\$0.10
#2 Heating Oil	\$3.77	\$3.54	+\$0.23

Source: Iowa Department of Natural Resources